Israel: “The time to tap the SPR is now. If we let prices continue to rise, we will be hurting families and we will be hurting our nation’s economic recovery.”

Dix Hills, NY— On Tuesday, Rep. Steve Israel (D-Huntington) renewed his call for the United States to tap the Strategic Petroleum Reserve (SPR) to stabilize rising gas prices. On Long Island, gas prices have topped $4 a gallon and are expected to increase even more heading into the summer.

“For most Long Islanders, getting to the grocery store, getting the kids to school and getting to work means driving – and paying for it at the pump. With gas prices over $4 a gallon, it’s not uncommon to top $50 or $75 in one trip to the gas station,” said Rep. Israel. “Gas prices are hurting families and hurting our nation’s prospects for economic recovery. The time to do something about it is now. A small drawdown of the Strategic Petroleum Reserve could lower prices in a matter of weeks.”

The Strategic Petroleum Reserve holds 727-million-barrels of oil and is the largest stockpile of government-owned emergency crude oil in the world. Once oil is released from the SPR, it would take less than two weeks to enter the market, according to the Department of Energy. Rep. Israel previously called on President Bush in 2008 to use the SPR when gas topped $4/gallon.

The SPR has been used by the past three presidents to help stabilize oil prices. In 2000, after President Clinton authorized a swap of 30 million barrels, oil prices dropped 20 percent in a week and 34 percent in a short amount of time. In 2005, President Bush offered 30 million barrels from the SPR to reduce prices after Hurricane Katrina. Only 11 million barrels were released, which resulted in crude oil prices dropping by $5 a barrel.

Rep. Israel has argued that the SPR should be used as a short-term solution and that over the long-term, the United States needs to end its dependence on foreign oil by transitioning to alternative energy sources.

Analysts are predicting that increased crude oil prices could slow economic recovery and cause a sharp increase in the cost of U.S. oil imports. In 2008 when prices reached $4 a gallon nationally, the U.S. saw a significant drop in consumer spending. Analysts from the Bank of America told the Wall Street Journal, “The Libyan supply disruption could be the 8th largest supply shock since 1950, on our estimates.”